GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:816
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Economic Growth
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Will the Minister of FINANCE be pleased to state:

(a) the Gross Domestic Product (GDP) growth during the last three years along with projected/estimated growth during 2015-16;

(b) the contribution of various sectors viz. agriculture, infrastructure, manufacturing and service sectors during the last three years and the projected/estimated growth of these sectors during 2015-16;

(c) whether the prevailing adverse global economic situation particularly in Europe is likely to have an adverse impact on the GDP growth rate during the current year, if so, the details thereof; and

(d) The steps taken by the Government to achieve higher growth rate including boosting manufacturing, infrastructure, agriculture and service sectors along with administrative steps to develop a competitive and less onerous tax structure to boost business environment?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) The growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices is estimated at 5.1 per cent, 6.9 per cent and 7.3 per cent respectively in 2012-13, 2013-14 and 2014-15 (Provisional Estimates). According to the Economic Survey 2014-15, the growth in the Indian economy can be expected to be in the range of 8.1 to 8.5 per cent in 2015-16.

(b) The contribution of various sectors to the Gross Value Added (GVA) at basic prices in the last three years is given in the following table.

Contribution of various sectors in the Gross Value Added (GVA) at basic prices
(Per cent)

Sectors	2011-12	2012-13	2013-14	2014-15(PE)
i. Agriculture, forestry & fishing	18.4	18.0	18.0	17.0
ii. Industry	33.1	31.9	30.7	30.0
Mining & quarrying	3.2	3.1	2.8	2.4
Manufacturing	18.1	17.9	17.3	17.2
Electricity, gas ,water supply & other utility services	2.4	2.3	2.3	2.4
Construction	9.4	8.7	8.3	8.0
iii. Services	48.5	50.0	51.3	53.0
GVA at basic prices (i+ii+iii)	100.0	100.0	100.0	100.0

Source: Central Statistics Office.

The Government has not made sector-wise growth projections for the year 2015-16.

(c) As per the World Economic Outlook Update, July 2015, global growth is likely to remain stable during 2015 as compared to 2014, while the growth in the Euro area is expected to rise during the year. The growth of India is also likely to accelerate in the financial year 2015-16.

(d) The Government of India has taken various initiatives to improve the growth rate of the economy which, inter alia, include; fillip to manufacturing and infrastructure through fiscal incentives and concrete measures for transport, power, and other urban and rural infrastructure; liberalization of foreign direct investment in selected sectors; Skill India and Digital India initiatives; measures to de-bottleneck the supply of key raw-materials like coal which would help manufacturing and infrastructure sectors; "Make in India" initiative along with the attendant facilitatory measures for a more conducive environment for investment; financial inclusion though 'Pradhan Mantri Jan Dhan Yojana' which also helps to strengthen banking and insurance services; boost to agricultural sector with focus on micro irrigation, watershed development, soil conservation and credit, and, various measures to improve clarity and transparency in economic policy-making. Fiscal reforms with emphasis on consolidation, expenditure reforms and rationalization of tax structure, including initiatives on Goods and Services Tax, are also expected to contribute to higher growth.